



POSTGRADUATE INSTITUTE OF ENGLISH
THE OPEN UNIVERSITY OF SRI LANKA

ANNUAL REPORT AND ACCOUNTS
2016

POSTGRADUATE INSTITUTE OF ENGLISH

AMENDED ANNUAL REPORT & ACCOUNTS

2016

CONTENTS

		Page
1.	Vision	2
2.	Mission	2
3.	Brief Profile of the Director and Senior Management	2
	(a) Members of the PGIE	
	i) Board of Management	3
	ii) Board of Study for Teaching English as a Second Language	4
	iii) Board of Study for Teaching Literature in a Second Language Context	5
4.	Director's Review	6
	(a) Brief Introduction	6
	(b) Achievements	7
	(c) Drawbacks	9
	(c) Future Plans	11
5.	Director's Report	18
6.	Financial Statements (According to the new format)	38
7.	Audit Committee Report	40
8.	Audit Financial Statements	41
9.	Report of the Auditor General	58
10.	Report to the Report of the Auditor General	66

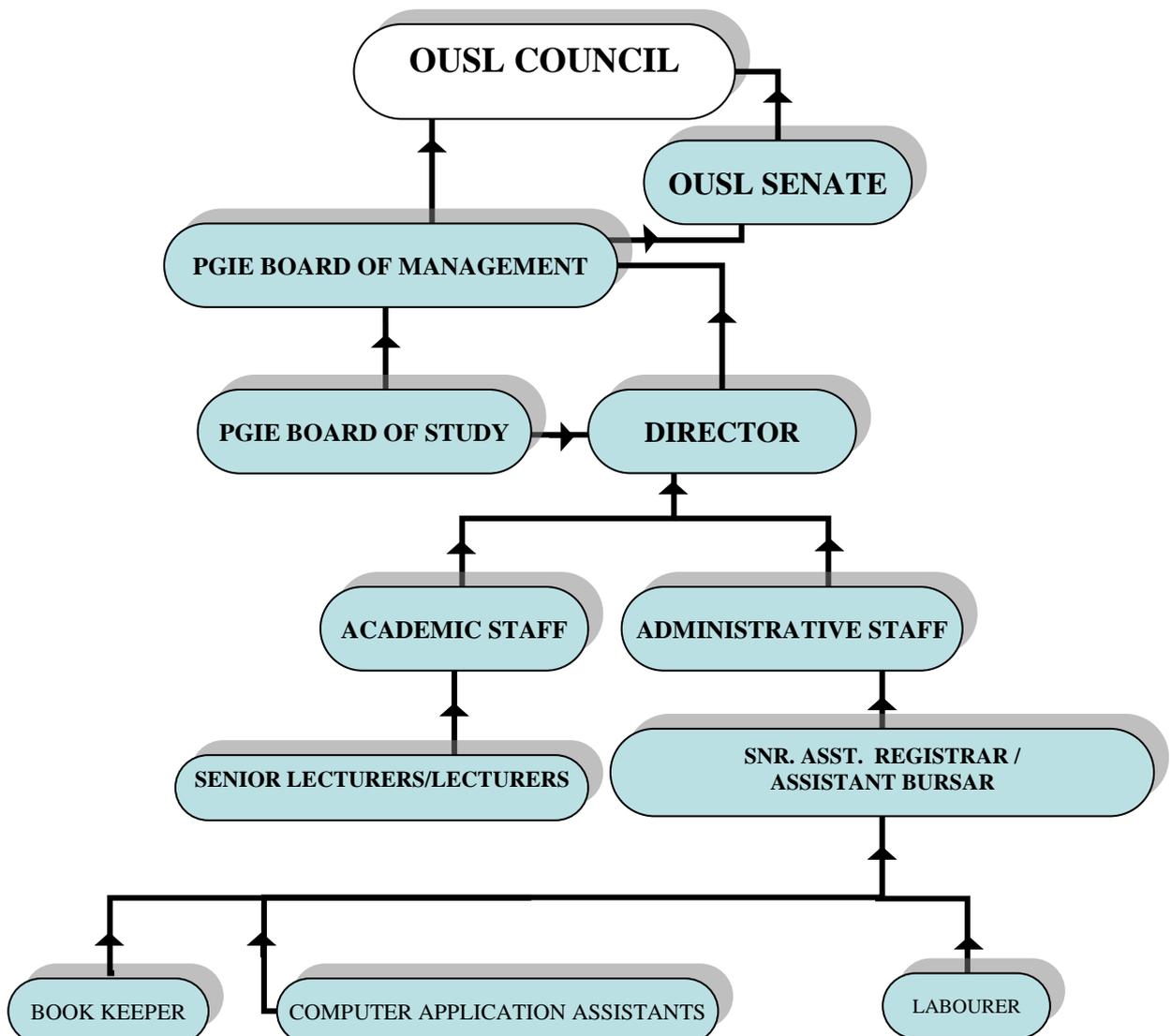
1. Vision

To be the leader in postgraduate education and research in English Studies and Education in Sri Lanka and be renowned for creative and contextually responsive initiatives which are sensitive to local and global imperatives and trends.

2. Mission

To provide opportunities for postgraduate level study, research, teacher education, innovation and excellence in scholarship in English language studies and literature, through self directed and self paced learning and to direct and lead English studies at National level.

3. Brief Profile of the Director and Senior Management



(a) (i) Members of the PGIE Board of Management

	Name	Designation
1	Dr. H.V.M. Ratwatte Dr. H.S. Rambukwella	Director, PGIE Chairperson BOM up to 28/02/2016 Director, PGIE Chairman BOM from 01/03/2016
2	Prof. N.R. Arthenayake	Emeritus Professor, The OUSL Council Nominee
3	Dr. J. Manatunga	Head/ELTC, University of Moratuwa (UGC Nominee)
4	Dr. Upali M. Sedare	Rector Sri Lanka International Buddhist Academy (UGC Appointee)
5	Prof. Neluka Silva	Professor/Dept. of English, University of Colombo (UGC Nominee)
6	Dr. M.K.C. Senanayake	Director, Dept. of Fiscal Policy, General Treasury (Representative of the General Treasury)
7	Dr.V.V.Medawattegedera	Head/Dept. of Language Studies, OUSL
8	Mr.W.D.L.Dushmantha	Chief Accountant, MOHE (Representative for Secretary/MOHE)
9	Mr. M.F.S.P.Jayawardana	Deputy Director General, Science & Technology NIE (NIE Nominee) (from February 2014)
10	Prof. W.I.Siriweera	Emeritus Professor, University of Peradeniya (UGC Appointee)
11	Prof. Neloufer de Mel	Professor/Dept. of English, University of Colombo(UGC Nominee)
12	Dr. K.R.M.de Silva	Senior Lecturer/Dept. of Language Studies, OUSL (Representative of the BOS/PGIE)
13	Dr. H.S. Rambukwella	Senior Lecturer/PGIE (Representative of the Board of Study for Teaching Literature in a Second Language Context/PGIE) up to 28/02/2016
14	Prof. L.R. Jayasekera	Senior Professor, Dept. of Botany, Faculty of Science, University of Kelaniya (UGC Appointee)
15	Prof. J.C.N. Rajendra	Professor in Physics, OUSL (OUSL Senate Nominee)

(ii) Members of the PGIE Board of Study for Teaching English as a Second Language

	Name	Designation
1	Dr. H.V.M. Ratwatte Dr. H.S. Rambukwella	Chairperson, Director/PGIE (up to 28-02-2016) Chair, Director/PGIE (from 01-03-2016)
2	Dr. W.M. Seneviratne Mrs. R. Amarasekara	Librarian, OUSL (Ex-officio member) (On leave) Acting Librarian, OUSL
3	Dr. H.S. Rambukwella	Senior Lecturer/PGIE (from 01-11-2011 up to 09-02-2016)
4	Mrs. H.D. Wijesekera	Senior Lecturer, PGIE (On Study leave) (up to 06-05-2013)
5	Mrs. M.I. Jansz	Lecturer, PGIE (up to 03-06-2013)
6	Mr. S.A.S.K. Perera	Student Representative (from 09-06-2015)
7	Ms. L. K. Cumarathunge	Visiting Academic, PGIE Former Director, NIE
8	Ms. P. Nagasundaram	Former Head, Dept. of English University of Sri Jayawardenapura (Visiting Academic – PGIE)
9	Prof. M. Gunasekera	Professor of English, Dean, Faculty of Graduate Studies, University of Kelaniya (up to 12/01/2016)
10	Dr. R. Rasool	Senior Lecturer, English Language Teaching Unit (ELTU), University of Kelaniya (from 08-11-2016)
11	Dr. D. Devendra	Senior Lecturer, Dept. of Language Studies, OUSL (from 01-01-2014)
12	Mrs. S.R. Ilangakoon	Coordinator, Senior Lecturer, ELTU, University of Colombo (from 01-01-2014)
13	Dr. K.R.M. de Silva	Senior Lecturer, Dept. of Language Studies, OUSL (from 01-01-2011)

**(iii) Members of the PGIE Board of Study for Teaching Literature
in a Second Language Context**

	Name	Designation
1	Dr. H.V.M. Ratwatte Dr. H.S. Rambukwella	Chairperson, Director/PGIE (up to 28-02-2016) Chair, Director/PGIE (from 01-03-2016)
2	Dr. W.M. Seneviratne Mrs. R. Amarasekara	Librarian/OUSL (Ex -officio member) (On leave) Acting Librarian, OUSL
3	Dr. H.S. Rambukwella	Senior Lecturer/PGIE (from 01-11-2011 up to 09-02-2016)
4	Mrs. H.D. Wijesekera	Senior Lecturer, PGIE (On Study leave) (up to 06-05-2013)
5	Mrs. M.I. Jansz	Lecturer, PGIE (up to 03-06-2013)
6	Prof. Neloufer de Mel	Senior Professor in English, Dept. of English, University of Colombo
7	Dr. D. Devendra	Senior Lecturer, Dept. of Language Studies, OUSL (Invitee-up to 04-10-2016) (from 08-11-2016)
8	Dr. H.V.M. Ratwatte	Senior Lecturer/Dept. of Language Studies, OUSL (from 08-11-2016)
9	Prof. Maithree Wickremasinghe	Professor in English/Dept. of English, University of Kelaniya (from 22-02-2011)
10	Dr. V.V. Medawattegedera	Head/Dept. of Language Studies, OUSL (from 15-02-2007)
11	Dr. S. Wijewardene	Senior Lecturer, Dept. of English, University of Colombo (from 08-11-2016)
12	Dr. K. Warnapala	Senior Lecturer, Dept. of Language Studies, OUSL (from 22-02-2011)
13	Dr. Lakshmi de Silva	Former Senior Lecturer, Dept. of English, University of Colombo (from 22-02-2011)

4. Director's Review:

(a) Brief introduction

2016 was a year of change, transition and growth for the institution. In March 2016 a new director, an internal academic staff member of the PGIE, was appointed and in July, 2016 the PGIE moved to its new premises in the Open University's Colombo campus. The move to the brand new four-storey building, which was ceremonially declared open by the Vice Chancellor of the Open University on 16th December 2016, fulfilled a long felt need of the institute to have dedicated space for the administrative, academic development and teaching and learning needs of the PGIE. For a number of years the PGIE, which was hosted in shared space at the Faculty of Education building in the Open University and was constrained in its growth due to lack of physical resources. As this report outlines later, since moving to the new space the institution has carried out a number of innovative new projects and is in the process of putting in place a roadmap for future consolidation and growth.

The PGIE continued to provide support to the students of its two existing masters programs – the Master of Arts in Teaching English as a Second Language – MA (TESL) and the Master of Arts in Teaching Literature in a Second Language Context – MA (TLSC). The MA (TESL) which has now operated for more than a decade is undergoing a complete restructuring and a committee to study and implement the restructuring in line with SLQF guidelines was appointed by the relevant BOS and began its work. Similarly the MA (TLSC) which is only two year old is seeing a revision of its second and third thematic clusters (literary genres and history and pedagogy). The PGIE was also able to strategize and target its advertising better, using alternative advertising strategies, so that larger sat for entry tests of

both programs and larger cohorts were registered for the MA (TESL) and have been offered registration for the MA (TLSC).

Due, in large part, to the efforts of lecturers handling coordination of the two MA programs and their dedicated and untiring efforts at providing learner support, including informal counseling for students facing various professional and personal difficulties, this year the PGIE has seen a record number of graduations with 05 students successfully defending their thesis and 05 others successfully completing the PGDiploma. Looking to the future the PGIE is now in the final stages of obtaining approval for two new PG Diploma programs – a PGDip in Bilingual education and a PGDip in the Professional Practice of English. The PGIE also hopes to offer two new short courses in Social Sciences and Humanities Research Methodology and Writing and Public Speaking in 2017.

With the substantial growth the institute achieved in 2016 and the anticipated growth in 2017 in terms of the programs offered by the institute and the numbers of students registering the PGIE is also in the process of acquiring an automated accounting system and also exploring the possibility of acquiring a customized student record management system to further streamline the services provided to students.

(b) Achievements:

The PGIE was able to complete its much anticipated building construction project and move into the new building and begin operations in July and the ceremonial opening was held on 16/12/2016. The Institute began the evaluation process for registering its first PhD student and towards the latter part of the year a second PhD student initiated the registration process. In the well established MA (TESL) program 131 applications sold, 104

applicants sat for the entry test and 50 were registered, which is a historically high number and similarly in the MA (TLSC) 75 applications sold, 62 applicants sat for the entry test and 30 have been offered registration.

In addition to the increase in capacity in existing programs, the PGIE was able to offer a Short Course on Enhancing Teacher Capacities in the Teaching of English Literature for G.C.E. Ordinary Level New Syllabus in April attended by 58 numbers of teachers of O/L literature from across the country, a one day workshop on G.C.E. A/L Literature which was attended by 37, a three day workshop on Testing and Evaluation developed and delivered by PGIE staff for the English and Foreign Languages Unit of the Ministry of Education in September. The PGIE also offered a 5 day course on Research Communication and Critical Literacy for staff of the Sri Lanka Institute of Advanced Technical Education (SLIATE) in October/November.

In addition to the above academic programs the PGIE held two well attended public talks. One by Prof. Maithree Wickramasinghe on Changing Faces Researching in the Humanities and English Studies and another on Methodological Issues in Writing History by Dr. John D. Rogers US Director of the American Institute for Sri Lankan Studies – both of which had close to 50 attendees from within the university academic community and the general public. In addition to these two programs the PGIE for the first time in its history organized a two day seminar in collaboration with an overseas university. The ‘Ideas Lab on Art and Reconciliation’ was held on 13 and 14 December with collaboration from the School of Political and Social Sciences of the University of Edinburgh and saw the participation of many eminent academics and artists from Sri Lanka and Prof Jonathan Spencer from the University of Edinburgh.

The generated income of the PGIE increased from 8,951,748/- in 2015 to 11,157,287/- by 2016.

Student Status

Five (05) research students in the Master of Arts in Teaching English as a Second Language - MA (TESL) successfully defended their thesis and completed all requirements for the award of the MA degree. Five (05) others from the same program have submitted their portfolios and completed all requirements for the award of the Postgraduate Diploma. At the moment 54 number of students are conducting their MA research in the MA TESL.

In the Master of Arts in Teaching Literature in a Second Language Context - MA (TLSC) 03 number of students have reached the dissertation level and 15 number of students from the second batch 2016/2017 are in the process of completing all of their course work requirements. Both courses MA (TESL) and MA (TLSC) have seen substantial increases in registration – from 34 in 2015 to 50 in 2016 for the MA TESL and from 07 in 2015 to 30 in 2016 for the MA TLSC.

(c) Drawbacks:

Most of the drawbacks the institute faced during 2016 were in the form of limited human and physical resources. By the end of the year, however, many of these drawbacks have been addressed to some extent. In terms of human resources the PGIE has only three full time academic staff members and a Senior Consultant and one of these academics is following her PhD studies in Australia at the moment. With the change in Directorship in March 2016 the PGIE effectively lost one of its academic staff members because Dr. Hemamala Ratwatte, who was the former Director, returned to her position at the Department of Language Studies at the Open University of Sri

Lanka after being on secondment to the PGIE during her tenure as Director. At the same time an internal staff member of the PGIE, Dr. Harshana Rambukwella, became the Director placing some limitations on his contribution to the academic work of the institute. However, despite these changes the PGIE managed to expand its resource pool of visiting academics and successfully expand the scope of its existing activities and also venture into new areas through short courses and seminars. The institute was also successful in obtaining cadre approval for one new academic position and one new Administrative Assistant position (formerly known as Computer Applications Assistant). The recruitments will be finalized in 2017 and the institute will be in a better human resources position thereafter.

The other major constraint the institute faced for many years was the lack of dedicated space for its teaching, learning and administrative activities. By the end of 2016 the institute has been able to resolve this issue fully with the commissioning of its new four story building. The PGIE moved into its new premises in July, 2016 and held the official opening ceremony on 16/12/2016. Since moving into the building the institute held a 5 day short course for the academic staff of the Sri Lanka Institute of Advanced Technical Education, a two day workshop with collaboration from the University of Edinburgh and two very well attended public talks. At the moment the institute is in the process of equipping the building so that it can be a productive and innovative teaching and learning space.

With the acquisition of the building one of the areas in which the PGIE needs to improve is in branding and visibility. While the institute has a good reputation within the English teaching community in Sri Lanka it has the potential to play a much bigger role in providing a range of consultancy and training services to various industries which require language and communication. Improving

the visibility of the institute is one area that the PGIE has identified as a priority. The visibility of the institute is also important in terms of the emerging competition in postgraduate education both in the state and private sectors. It is, therefore, important for the PGIE to position itself and to be seen as a quality provider of postgraduate education to a wider clientele.

(d) Future Plans

The PGIE has a number of plans for the immediate future and longer term ambitions. In 2017 the PGIE plans to offer two new short courses in Public Speaking and Research Methodology and Writing in the Social Sciences and Humanities. With both these programs the institute will be moving beyond its traditional clientele of English teachers and lecturers and be attracting others from the private and non-governmental sectors. The institute also plans to finalize its work on the Postgraduate Diploma in the Professional Practice in English - PGDip (PPE) in 2017, which is currently being reviewed by the UGC and the institute, plans to involve an American specialist on language communication in the development of the program through the Fulbright program. In addition the institute plans to work closely with the Bilingual Unit of the Ministry of Education in developing its Postgraduate Diploma in Bilingual Education, which is also currently under review with the UGC.

In addition to offering new academic programs the PGIE plans restructure its MA (TESL) and MA (TLSC) courses to bring them in line with the Sri Lanka Qualification Framework and a sub-committee has been appointed by the relevant BOS to oversee and coordinate this work. The institute also plans to have a number of public events to further its mission of providing a platform for the dissemination, debating and discussion of local and global trends in the humanities and social sciences.

In addition to its academic activities the PGIE in 2017 will be seeking to streamline and improve the efficiency of its administrative processes. To this end the institute plans to acquire financial and student information management software and also to provide non-academic staff with relevant training in systems and processes.

(e) Details of Resources & Students:

Institute	Programme	Total Students	Total Academic Staff	Total Non Academic Staff
Postgraduate Institute of English (PGIE)	Master of Arts in Teaching English as a Second Language (MA in TESL)	53	01 - Director 02*- Senior Lecturers 01 - Lecturer 01 - Senior Consultant (on contract basis) 05 * - One Senior Lecturer is on study leave w.e.f. Feb. 2015 One Senior Lecturer released to Post of Director	07
	Postgraduate Diploma/Master of Arts in Teaching English as a Second Language - MA/PGDip (TESL)	123		
	Master of Arts in Teaching Literature in a Second Language Context - MA (TLSC)	45		
	Short Course on Enhancing Teacher Capacities in the Teaching of English Literature for G.C.E. Ordinary Level New Syllabus	58		
	Workshop on Academic Communication for the Academic Staff of Sri Lanka Institute of Advanced Technological Education	34		
	Short course on Testing and Evaluation for Ministry of Education	40		
	One Day Workshop on G.C.E. A/L Literature	37		
	Two day workshop on Art and Reconciliation in collaboration with the School of Political and Social Sciences, Edinburgh University	20		
Total	08	410	05	07

(f) Details of Local Students:

Institute	Course	Medium	Intake 2016	1 st Year Students (Part I)	2 nd Year Students (Part II)	No. Graduated
PGIE	MA (TESL)	English	36 (Re-registered - 17)	-	-	05
	PGDip (TESL)	English	50 (Re-registered - 73)	97	26	05
	MA (TLSC)	English	27 (Re-registered - 18)	27	18	-
Total	03	-	221	124	44	10

(g) Details of Academic Staff:

Institute	Subject	Medium	Senior Prof	Professor	Senior Lecturer	Lecturer	probationary Lecturer	Instructors
PGIE		English	-	-	02	-	01	-
Total		-	-	-	02	-	01	-

(h) Details of Non-Academic Staff:

Institute	Most Senior	Senior Staff	Junior Staff	Minor Employees
PGIE	-	02	04	01
Total	-	02	04	01

(i) Details of Research, Innovation and Publications:

Subject	Published	Presented
a. No. of Research	01	-
b. No. of Innovations	-	-
c. No. of Journals	02	-
d. No. of Books	02	-
e. No. of Articles	07	-
f. Other	-	12

(j) Details of Programmes, Seminars & Workshops:

Subject	Conducted
a. No. of Postgraduate Degree Programmes	02
b. No. of Postgraduate Diploma Programmes	01
e. No. of Certificate Programmes	04
f. Other	03
Total	10

a. No. of Postgraduate Degree Programmes - conducted

1. Master of Arts in Teaching English as a Second Language
2. Master of Arts in Teaching Literature in a Second Language Context

b. No. of Postgraduate Diploma Programmes - conducted

1. Postgraduate Diploma in Teaching English as a Second Language

c. No. of Certificate Programmes - conducted

1. Short Course on Enhancing Teacher Capacities in the Teaching of English Literature for G.C.E. Ordinary Level New Syllabus
2. Workshop on Academic Communication for the Academic Staff of Sri Lanka Institute of Advanced Technological Education
3. Short course on Testing and Evaluation for Ministry of Education
4. One Day Workshop on G.C.E. A/L Literature

f. Other - conducted

1. Public lecture and discussion forum on Social Sciences and Humanities Research Methodologies by Prof Maithree Wickramasinghe
2. Public lecture and discussion forum on new trends and challenges in writing history by Dr. John D. Rogers, US Director, American Institute for Sri Lankan Studies
3. Two day workshop on Art and Reconciliation in collaboration with the School of Political and Social Sciences, Edinburgh University

Short Course on Enhancing Teacher Capacities in the Teaching of English Literature for G.C.E. Ordinary Level New Syllabus



Workshop on Academic Communication for the Academic Staff of Sri Lanka Institute of Advanced Technological Education



One Day Workshop on G.C.E. A/L Literature



***Public lecture and discussion forum on Social Sciences and Humanities
Research Methodologies by Prof Maithree Wickramasinghe***



(k) Details of New Courses Initiated:

Institute	Course	Medium	Postgraduate Certificate	Postgraduate Diploma	Master	M Phil	PhD
PGIE	PG Dip in Bilingual Education in an ESL Context (Awaiting UGC approval)	English	-	Postgraduate Diploma	-	-	-
	PG Dip in Professional Practice in English (Awaiting UGC approval)		-	Postgraduate Diploma	-	-	-
	Master of Philosophy (MPhil)		-	-	-	MPhil	-
	Doctor of Philosophy (PhD)		-	-	-	-	PhD

5. Director's Report

Management and Administrative Progress

- a) Provided administrative staff member with training at NCAS in Certificate Course in Introduction to SPSS.
- b) Academic Staff – attended seminars and workshops organized by the British Council, National Institute of Education, University of Edinburgh and Luxembourg University
- c) Prepared the year plan for the year 2017 at a full day workshop. Strategic planning and the action plan for the PGIE for the forthcoming year was discussed and finalized.
- d) Finalized all administrative and financial matters relating to the new building and shifted operations to the new building on 25th July, 2016.
- e) Identified experts to recommend infrastructure requirements for the new building and purchased a wide range of items, ranging from furniture to teaching and learning aids and presentation equipment, required to equip the new PGIE building to be an efficient and effective center for service delivery
- f) Entered into agreements with the Open University of Sri Lanka to provide security, janitorial and utility services including internet and networking facilities for the PGIE new building.
- g) Initiated work to develop a new Corporate and Strategic Management Plan for the period 2017-2021

Infrastructure Progress

Progress made with regard to the building in 2016.

- Work completion date for new building: 30.06.2016
- Inspection of building by engineer: 14.07.2016
- Shifting PGIE to new building: 23& 24.07.2016
- Ceremonial opening: 16.12.2016



Equipment and other fixing purchases & services-

- 150 nos. lecture hall chairs (wooden – teak)
- Window blinds for the whole building
- Workstations for office staff
- Obtaining electricity and water supply through OUSL Maintenance Department
- Obtaining janitorial and security services through registered providers to the OUSL

Student Performance and Achievements – 2015/2016

The Annul PGIE research Forum was held in February, 2016 where research students presented their research. Senior academics staff members from different universities (The Open University of Sri Lanka, University of Colombo, Kelaniya, Sri Jayewardenepura and Jaffna) who participated at the forum commented on the quality of the presentations and the research projects.

The topics researched;

- The effectiveness of using L2 grammar videos with young adults in a private institution
- The impact of CALL on foreign language writing anxiety
- The impact of short message service (SMS) language on urban government school students' written language
- An investigation on the impact of dictogloss as a technique in improving students' paragraph writing skill.
- The impact of 'Text Speak' on academic English writing skills of upper secondary school students: A case study of an international school in Sri Lanka
- A content analysis of cultural dimensions in the textbook series "An International Approach to English" : A case study
- Exploitation of Cognitive Behaviour Therapy(CBT) to overcome learner anxiety in speaking English as a second language: An action research in a university context
- Perceptions and practices of teachers in a private institution on the use of games in the ESL classroom for Sri Lankan young adults: A case study
- A study on the use of metalinguistic feedback and repetitive learning to improve the writing skills of upper secondary level students: An

action research

- Enhancing soft skills of students in technical education through Problem Based Learning
- The impact of teacher behaviour on learner anxiety in speaking English as a second language: A case study in a university context
- Impact of peer feedback on developing academic writing: A case study based on EAP learners at a private higher education institute
- The implementation of School Based Assessments (SBA) regarding English language in Grade 11 classes in sub-urban schools in Sri Lanka: With a special reference to the Horana Zone
- Enhancing ESL student engagement in General English of Advanced Level students through the use of listening activities
- The factors which influence speaking skills in English in the remote schools of the Puttalam Educational Division – North
- Enhancing reading for comprehension skills of advanced level arts stream students
- Factors affecting the English speaking ability of students in government schools in the Batticaloa Educational Zone in Sri Lanka

- An evaluation of the Grade 11 English language course book for Sri Lankan public schools
- Using ESL teacher development through the use of Directed Motivational Currents
- The impact of societal expectations on learning English in rural schools
- Self Efficacy beliefs of ESL undergraduates on English language learning
- Effectiveness of drama in enabling diffident adult learners to

improve speaking

- A study of language development of ESL learners using Directed Motivational Currents
- Gender and ESL motivation among English Medium students in National Schools in the Ratnapura District
- A study on the causes and effects of ESL teacher immunity in the Sri Lankan context
- Towards a Sri Lankan framework of reference: Exploring English language needs in business contexts
- Attitudes of Sri Lankan university students and English language teachers toward L1 use in the ESL classroom
- Perceptions of English-Sinhala translanguaging: A case study of English language teachers
- The impact of social media on adolescent ESL learner identity.
- A study investigating the factors that contribute to the improvement of the English language proficiency of Grade 5 scholarship holders
- The impact and effectiveness of teacher designed individualized material in learning English in the teaching context of Akkairaipattu.

- Improving ESL learners' vocabulary use through multiple intelligences-based instruction: A classroom-based action research
- Student engagement in Grade 9 and 10 English lessons: A narrative case study of an international school in Colombo
- Impact of sheltered instruction on developing grammatical competence in ESL learners of Sri Lanka in the content specific class
- The role of peer evaluation in developing presentation skills

Testimonials from some students who completed the MA TESL in 2016

“MA in TESL course of PGIE covers almost all important aspects of teaching English such as teaching four skills, testing and evaluation, curriculum and material design, issues and developments in ELT. This course made me look at the teaching learning process from the learner's perspective which I think is the secret of effective teaching.

The assignments on each course gave me the opportunity to explore new trends in the field of ELT and it inculcated a life-long love for ELT research in me. As a result I decided to base my research study in integrating global dimension into ELT textbooks which is considered a paradigm shift in designing ELT materials worldwide. Through this course of study I developed my teaching skills immensely and I am able to adapt any lesson in a textbook to best suit the needs of my learners. Thank you PGIE for providing us the opportunity to become an accomplished English language teacher in Sri Lanka.”

Sudharma Gamage
English Subject Coordinator
Richmond College
Galle

“The Masters’ Degree programme in Teaching English as a Second Language (TESL) at the Postgraduate Institute of English (PGIE) Open University of Sri Lanka exposed me to the latest trends and developments in second language teaching through their up-to-date curriculum. It provided a strong theoretical base and analytical skills necessary for effective teaching, developing curriculum, preparing testing material, employing technology in the classroom and engaging in reflective practice making me a confident ESL practitioner. The variety of testing methods used for evaluation enhanced many learning skills I require to excel as an academic. I received excellent supervision and continuous guidance for my research study from the distinguished team of academics at PGIE who were accessible throughout the programme making it a possibility for me to complete the degree on time.”

Kethakie Nagahawatte
English Language Teaching Unit
University of Colombo

“The MA in TESL conducted by the PGIE, Open University of Sri Lanka is an excellent course for both the professional and academic development of anyone in the field of teaching English. The course is well structured, up to date and maintains high professional standards. The lectures conducted by leading experts in their field were interactive and so interesting that attending them was a privilege.

I personally have benefitted tremendously from this course. It has had a positive impact on all aspects of my approach to teaching. It has also given me the knowledge and confidence to share my ideas and to play a pivotal role in the curriculum revision at my workplace. The research methodology and academic writing component was also invaluable as it provided a thorough grounding in these areas. In addition, this course was a key qualification in furthering my professional development by joining the British Council as a teacher and examiner. This course is one of the best things I have done for it not only helped in my personal and professional development but has made me eager to go further. I would strongly recommend this course.”

Fathima Izzadeen
Teacher
British Council, Kandy

“The MA in TESL program at the PGIE of the Open University of Sri Lanka is an interdisciplinary program where both veteran and novice teachers have the opportunity to gain a broad knowledge about SLA theories, ESL/EFL course designing & implementation, classroom management and teaching methodologies, lesson planning, testing and research methods, while getting hand-on experience with the latest SL pedagogies. The curriculum of the course is well rounded and a wide range of supportive lecturers with a diverse knowledge and experience definitely changed my perspective, gave me knowledge and more than anything, the confidence to try.

Following the MA in TESL program is quite possibly one of the best decisions of my life and the course allowed me to find and gauge my strengths and weaknesses as a teacher. Further, I never hesitate to recommend this program to anyone who is wishing to pursue a career in the field of teaching especially in the tertiary level. Also, I like to take this opportunity to show my gratitude to all my lecturers of the course for broadening my horizons professionally as well as personally.”

Hemantha Edirisinghe
Senior lecturer, ELTU
Wayamba University of Sri Lanka
Kuliyapitiya

Academic staff members: Research and Achievements

- ❖ One staff member received a 2-month fully funded fellowship at the Institute of Advanced Social Sciences and Humanities (IASH) at the University of Edinburgh, Scotland
- ❖ Institute for Advanced Social Sciences and Humanities (IASH) and the Centre for South Asian Studies, University of Edinburgh monthly lecture series – February 2016
- ❖ “Forms of the Left” international conference on Leftist Aesthetics in South Asia - June 2016
- ❖ Language, bilingualism, culture and society” plenary presentation at Conference on “Bilingual Education: An Asset for Sustainability” Bilingual Education Department, Ministry of Education Sri Lanka - June 2016
- ❖ “Tyranny of writing: Ideologies of the written word” seminar in Luxembourg organized by the University of Luxembourg. October 2016
- ❖ The Keynote Address. Junior Research Symposium on English Language Education for World Citizenship: Challenges and Opportunities, English Language Teaching Unit, Faculty of Humanities, University of Kelaniya, Sri Lanka. July 2016

New Programmes and Courses

The PGIE conceptualized and developed an intensive 5-day course (30 hours of face to face teaching) on Research Writing and Critical Literacy for the academic staff of the Sri Lanka Institute of Advanced Technical Education (SLAITE). Based on the positive feedback received from this course the PGIE has conceptualized and developed a short course on Research Writing and Research Methodology in the Social Sciences and Humanities which it plans to deliver in the first quarter of 2017. Based on

the success of this initial round the PGIE plans to upgrade this course to a credit bearing program later.

Work on the Postgraduate Diploma in the Professional Practice of English (PPE) and the Postgraduate Diploma in Bilingual Education has continued with the PGIE completing the requirements of the QAA unit of the UGC and moving the proposals to the next stage of approval. The PGIE has also been in contact with the Fulbright Commission of Sri Lanka to obtain a specialist in communication and writing to support the development of its PPE. A proposal and an application in this regard has been submitted to the Fulbright Commission in Sri Lanka and the PGIE has identified a suitable American specialist for this task.

Staff

- A new Senior Assistant Registrar, Mr. W.D.T.Tilakaratne was appointed to the PGIE on 7th January, 2016.
- New Assistant Bursar assumed duties on 01st February, 2016 who obtained a transfer from University of Peradeniya as the former Assistant Bursar was promoted to the Post of Senior Assistant Bursar at Wayamba University.
- Ms. D.M.T.PDissanayake was confirmed in the post of Computer Applications Assistant.
- Mrs. A.R.S.K.Rajapaksha was confirmed in the post of BookKeeper.

Learner Support

The PGIE instituted a new online Learning Management System (LMS) based support mechanism for its dissertation level students. The institute has observed over the years that students working in the Open and Distance learning model often do not have the support of a learning community when they enter the dissertation stage and therefore suffer

from lack of motivation and the support necessary to share, debate and discuss ideas with peers.

In addition to the above the PGIE discussed with Open University Library Committee to provide enhanced library privileges to MPhil and PhD students – a proposal to which the Library Committee agreed in principle. The PGIE also partnered with the American Institute for Sri Lankan Studies to offer a workshop on online literature searches and information management for dissertation level students in the MA TESL and MA TLSC in the final quarter of 2016.

Activities of Members of Staff

Dr. H.S. Rambukwella, Director

Publications

- ❖ Forthcoming (May 2017 – accepted for publication in February 2016). “Locations of authenticity: S W R D Bandaranaike of Sri Lanka and the search for indigeneity.” *Journal of Asian Studies* (Cambridge University Press)
- ❖ Forthcoming (2017 accepted for publication in October 2016). “Standard English, cricket, nationalism and tyrannies of writing in Sri Lanka.” In *Tyrannies of the Written Word*, ed., Constanze Weth and Kasper Juffermans, Bloomsbury Publishing.
- ❖ Forthcoming (2017). *Modern but authentic selves: A cultural genealogy of Sinhala nationalism*. University College London Press (80,000 word book manuscript proposal accepted for publication and contract signed in December 2017).
- ❖ (Co-authored with Dhammika Herath) 2016. *Self, religion, identity and politics: Buddhist and Muslim encounters in contemporary Sri Lanka*. International Centre for Ethnic Studies: Colombo.

- ❖ (Co-authored with Kanchana Ruwampura) 2016. “Paradox of Sri Lanka’s Elite Political Women” *The Dangerous Women Blog*. Institute for Advanced Social Sciences and Humanities, University of Edinburgh
- ❖ “Book review: Jayadeva Uyangoda, *Social Research Philosophical and Methodological Foundations*” *Colombo Business Journal* 7(1): 52-27
- ❖ Editor, *Sahitya* (special issue) collection of academic essays on Sri Lankan literature and the arts to mark the State Literary Festival 2016. Department of Culture, Sri Lanka

Paper presentations

- 24 February 2016. “S W R D Bandaranaike of Sri Lanka and discourses of authenticity”. Public presentation jointly organized by the Institute for Advances Social Sciences and Humanities (IASH) Edinburgh University and the Centre for South Asian Studies, Edinburgh Universities.
- 26-28 June 2016 “The deficit of culture: Limits of leftist engagements with art and culture in postcolonial Sri Lanka” paper presentation at “Forms of the Left: Activist Art and Leftist Aesthetics in Postcolonial South Asia” Organized by the School of Social and Political Sciences, Edinburgh University.
- 12-14 October 2016 “Standard English, cricket, nationalism and tyrannies of writing in Sri Lanka” paper presented at the “Tyranny of writing: Ideologies of the written word” seminar in Luxembourg organized by the University of Luxembourg.
- 23-24 June 2016. “Language, bilingualism, culture and society” plenary presentation at Conference on “Bilingual Education: An Asset for Sustainability” Bilingual Education Department, Ministry of Education Sri Lanka.

- Rambukwella, H. 2016. English Language Teaching or ELT – what is it all about?. The Keynote Address. Junior Research Symposium on English Language Education for World Citizenship: Challenges and Opportunities, English Language Teaching Unit, Faculty of Humanities, University of Kelaniya, Sri Lanka.

Other academic activities

- Research Fellowship at the Institute for Advanced Social Sciences and Humanities (IASH) University of Edinburgh January to March 2016.
- Plenary panel member “Teaching for Success Online Conference” organized by the British Council in collaboration with the National Institute of Education 5 October
- Opening plenary panel member at the WINGS International Conference on the Arts and Reconciliation 7-9 November 2016. Organized by the Office for National Unity and Reconciliation (ONUR), GIZ-FLICT, CARE International, European Union.
- Main organizer and convener of the “Ideas Lab on Reconciliation and the Arts” organized in collaboration with the School of Social and Political Science, University of Edinburgh, 12-13 December 2016 – close to 30 participants from arts, academia and activist backgrounds participated.
- Organized the 2016 Gratiaen Awards for creative writing in English as a Trustee of the Gratiaen Trust.
- Participated in a panel discussion on religion and literature at the Annasi and Kadalagotu Literary Festival on 14th May 2016 – moderated by Arun Dias Bandaranaike.

- Member of the judging panel of a national drama competition on the theme of Sustainable Energy organized by the Ministry of Education and the Sustainable Energy Authority, 12-13 November 2016, Anula Vidyalaya Nugegoda.
- Coordinated the National Development component of the CTHE course for probationary lecturers conducted by the Staff Development Centre of the Open University of Sri Lanka.
- Moderator for a memorial event for the late Chair Professor of English, University of Peradeniya, Prof Ashley Halpe. International Centre for Ethnic Studies, October 19 2016.

Mrs. H.D. Wijesekera, Senior Lecturer

Research

- ❖ Completion of Thesis Confirmation document (four chapters)
- ❖ Presented on “Students’ ethnolinguistic identities in bilingual classroom: A critical ethnography in Sri Lanka at the Queensland University of Technology, Australia on 7th March 2016 at the Confirmation Seminar
- ❖ Applying and obtaining Ethics Clearance for the research study on “Students’ ethnolinguistic identities in bilingual classroom: A critical ethnography in Sri Lanka
- ❖ Fieldwork in six government schools and semi-structured interviews with bilingual education stakeholders

Academic work

- Amendments to curriculum for Postgraduate Diploma in Bilingual Education program to be offered by the Postgraduate Institute of English

- Supervision of MA (TESL) Thesis of Sudarma Gamage
- Attended “The Wound of Separation: Remembering a forced migration story in a Graphic Novel, a thesis by Creative Works, 11 March 2016
- Personal Consultation session with Prof Marilyn Cochran-Smith at the Queensland University of Technology on 7th March 2016

Conferences (Presented)

Language, Linguistic Market, Medium of Instruction and Bilingual Education in Sri Lanka, Co-presented a plenary session with Dr. Harshana Rambukwella at the International Bilingual Education Conference 2016, Sri Lanka

Workshops Attended

- Workshop on completing your confirmation document 2 February 2016
- Research Ethics and Integrity Clinic 25 February 2016
- Workshop on Human Research-Ethics Application Process on 2nd March 2016
- Knit your PhD (Graduate Capabilities 1, 3, 4, 5 and 6) 11 March 2016
- Managing your research degree to successful completion (Graduate Capabilities -2, 4, and 5, Research Capabilities-3, 5 and 6) 11 March 2016
- Building an academic career: career planning for HDR students (Graduate Capabilities -2, 3, 4, 5, and 7, Research Capabilities-3, 5, and 6) 8th April 2016
- Authorship and Publication: A training course for QUT researchers Session 1: Fundamentals 11 April 2016
- Authorship and Publication: A training course for QUT researchers Session 2: Strategies 21 April 2016

Ms. M.I. Jansz, Lecturer

- ❖ Resource Person – Training Workshop on “Step by Step”: The student manual for UTEL examination for teaching staff from state university ELTU/ELTCs.
- ❖ Resource Person – Panel of experts who reviewed and edited an online English course developed by the UCSC to be delivered to Pre-University entrants
- ❖ Reviewer – Kalyani, a journal published by the University of Kelaniya
- ❖ 4.Moderator/Judge – National debate competition for bilingual students conducted by the Bilingual Unit of the Ministry of Education
- ❖ Followed the Certificate of Teaching in Higher Education course conducted by the Staff Development Centre of the Open University of Sri Lanka
- ❖ Coordinated and part of teaching faculty of the short course on testing listening and speaking for In-service advisors conducted by the PGIE and commissioned by the English and Foreign Languages Department of the Ministry of Education.

Ongoing research

- The problem of being a native: An exploration of Sri Lankan first language English speaker identities. Study undertaken for MPhil at the University of Kelaniya
- A study of teacher cognition of grammar instruction among English language teachers in Sri Lanka.

Academic work outside the PGIE

- ✓ University of Moratuwa – Resource person for the module Key Concepts in Teaching ESAP part of the course on Teaching English for Specific Academic Purposes.

- ✓ Open University of Sri Lanka - Language Studies Department, HSS Faculty
 - Visiting Academic on LSU4302
 - Teaching and assessment of LSU4104 –Computers and ELT
 - Examiner –Undergraduate Research Projects, BA in ELT (OUSL)

- ✓ Department of Special Needs Education, Education Faculty
 - Moderating and second marking questions for ESP1232/2232 (Educational Technology for Special Needs Education: Part II Subject No. 2- English)

Conferences attended

- The National Conference on Green Practices organized by the SDC, University of Kelaniya

- WINGS International Conference on Arts and Reconciliation

Workshops Attended

Organizational Results Framework organized by the Finance Ministry

Collaboration and Partnerships

The PGIE provided academic and coordination support for programmes conducted for OUSL staff by the Staff Development Centre of the Open University of Sri Lanka. PGIE staff also provided teaching, evaluation, supervision and examination support to the Department of Language Studies of the OUSL and the Education Faculty and the Departments of English at Colombo and Kelaniya University. PGIE staff also supported seminar and conference work at Colombo, Peradeniya and Sri Jayewardenepura Universities. The PGIE staff also worked very closely with the English Language Unit of the Moratuwa University providing the unit with support for its English for Special Academic Purposes program. In addition to these teaching related activities the PGIE also collaborated with the School of Political and Social Science of the University of Edinburgh to hold a two day workshop on Arts and Reconciliation involving leading academic, artists and activists in Sri Lanka. The PGIE staff also partnered with the Ministry of Education to deliver a course on Testing and Evaluation for the Ministry.

The academic staff members of the Department of Language Studies of the OUSL continued to support the PGIE in many aspects of its work. The supervision of research at Masters Degree level would not have been possible without this support and the OUSL Language Studies Department staff have readily and enthusiastically supported the PGIE's academic and research work.

Throughout 2016, assistance to the PGIE was given by many individuals and entities at OUSL including the Vice Chancellor, Members of the OUSL Council, the Deputy Vice-Chancellor, the Registrar, Deans of the Faculty of Humanities and Social Sciences and Education, the Bursar, the Librarian and staff of the Library, the Assistant Registrars of the faculty of Education and Academic staff of the Educational Technology Division. This support was particularly necessary and important in 2016 because the PGIE building project was completed and many infrastructure facilities for the new building had to be

provided by the university. All units in OUSL also gave significant support for the official joint opening ceremonies of the PGIEs new building and the new hostel complex of the university.

Support for individual courses in the MA programme was provided by Prof. R. Raheem – Professor Emeritus/OUSL, Dr. H.V.M. Ratwatte – Former Director, PGIE/Senior Lecturer, Dept. of Language Studies, OUSL, Dr. Radhika de Silva – Senior Lecturer, Dept. of Language Studies, OUSL, Dr. V.V. Medawattegedera – Senior Lecturer, Dept. of Language Studies, OUSL, Dr. Dinali Devendra – Senior Lecturer, Dept. of Language Studies, OUSL, Dr. W. Senevirathne – Librarian/OUSL, Dr. M.K.S. Iyer – Senior Lecturer in ELT, ELTC, Faculty of Arts, University of Jaffna, Dr. Romola Rassool – Senior Lecturer/ELTU, University of Kelaniya, Mr. S.J. Gunawardena – Senior Lecturer/Dept. of Languages, University of Moratuwa and Mr. L.D.I. Wijetunge – Senior Consultant/Dept. of Social Studies, OUSL, Prof. G.I.C. Gunawardena – Emeritus Professor of Education, Faculty of Education, OUSL, Dr. Palitha Dissanayke – Senior Lecturer, Gampaha Wickramarachchi Ayurveda Institute, Ms. N.A. Vanniasinkam – Visiting Lecturer/University of Colombo, Ms. S.R. Ilangakoon – Coordinator/Senior Lecturer, ELTU, University of Colombo, Ms. S.M. Salgado – Consultant/Dept. of Language Studies, OUSL, Dr. Sreemali Herath – Senior Consultant, PGIE and Dr. Shantha Abeysinghe – Dean/Faculty of Humanities and Social Sciences, OUSL, Ms. Ethel Nanayakkara – Former Lecturer/Sultan Qaboos University, Dr. Vagisha Gunasekara – Executive Director, The American Institute for Sri Lankan Studies, Mr. P.S.R. Perera – Retired Principal also supported the PGIE as Visiting Lecturers in the Postgraduate Diploma/Master of Arts in Teaching English as a Second Language degree programmes. This year, a student who had completed the MA at the PGIE, Mr. T.I. Wickramaarachchi – Lecturer/ELTU, University of Kelaniya also assisted with the teaching and evaluation.

Dr. Ariyawansa Ranaweera – veteran poet and translator, Prof. R. Raheem – Emeritus Professor, OUSL, Dr. H.V.M. Ratwatte – Former Director, PGIE/Senior Lecturer, Dept. of Language Studies, OUSL, Ms. Madhubashini Ratnayake –

Senior Lecturer/ University of Sri Jayawadenepura, Mr. Lal Medawattegedara – Lecturer/OUSL, Ms. Ruhanie Perera – Lecturer/Dept. of English, University of Colombo, Dr. Dinali Devendra – Senior Lecturer/Dept. of Language Studies, OUSL, Dr. Kanchana Warnapala – Senior Lecturer/Dept. of Language Studies, OUSL, Dr. Vivimarie Vanderpoorten – Senior Lecturer/Dept. of Language Studies, OUSL, Mr. L.D.I. Wijetunge - Senior Consultant/Dept. of Social Studies, OUSL, Dr. Liyanage Amarakeerthi – Senior Lecture, University of Peradeniya , Ms. Dinali Fernando – Senior Lecturer/Dept. of English, University of Kelaniya, Ms. Sunila Galappatti, Ms. P. Nagasundaram – Former Head/Dept. of English, University of Sri Jayawardenepura, Ms. Nadine Vanniasinkam – Visiting Lecturer/University of Colombo, Dr. Sreemali Herath – Senior Consultant, PGIE, Ms. Manikya Kodituwakku, Lecturer/Dept. of Language Studies, Dr. Asha Abeyasekara – Lecturer/Faculty of Graduate Studies, University of Colombo, Mr. Akhry Ameer, Dr. Kaushalya Perera, Senior Lecturer/ELTU, University of Kelaniya also supported the PGIE as Visiting Lecturers in the Master of Arts in Teaching English as a Second Language degree programme.

Prof. Siromi Fernando – Emeritus Professor of English/University of Colombo, Prof. Rajiva Wijesinha, Emeritus Professor, Sabaragamuwa University of Sri Lanka, Prof. G.I.C. Gunawardena, Emeritus Professor of Education, Faculty of Education, OUSL, Dr. Romola Rassool, Senior Lecturer, ELTU, University of Kelaniya, Dr. R.M.C. Jayatilake, Senior Lecturer, Dept. of English, University of Sri Jayawardenepura, Ms. Dilini Walisundara - Senior Lecturer, Dept. of English, University of Sri Jayawardenepura, Dr. M.K.S. Iyer, Senior Lecturer in ELT, ELTC, Faculty of Arts, University of Jaffna, Ms. S.M.T. Wijayadharmadasa - Lecturer/ELTU, University of Colombo, Dr. C.D.S. Wettewe - Senior Lecturer, Head/ELTU, University of Kelaniya, Prof. W.M. Wijeratne - Dept. of Linguistics, Faculty of Humanities, University of Kelaniya, Mr. S.J. Gunawardena, Senior Lecturer/Dept. of Languages, University of Moratuwa, Ms. V. Yatawatte, Former Director/NIE, Ms. Mahishi Ranaweera, Head/ELTU, University of Kelaniya, Ms. Dinali Fernando - Senior Lecturer/Dept. of English, University of Kelaniya, Ms. Kamala Wijerathne - Former Lecturer, Peradeniya Teachers' College, Ms. S.R. Ilangakoon – Coordinator/Senior Lecturer, ELTU, University

of Colombo, Ms. G.G.K. Vindika - Consultant/Lecturer in English, National Institute of Business Management, Mr. T.I. Wickramaarachchi - Lecturer/ELTU, University of Kelaniya, Ms. Ethel Nanayakkara - Former Lecturer/Sultan Qaboos University supported the Institute by serving as Supervisors and External theses examiners. Dr. H.V.M. Ratwatte - Former Director/PGIE, Senior Lecturer/Dept. of Language Studies, OUSL, Prof. R. Raheem (Professor Emeritus/OUSL and retired Director/PGIE), Dr. V.V. Medawattegedera, Dr. D. Devendra and Dr. Radhika de Silva, Ms. S.M. Salgado from the Department of Language Studies, OUSL, Dr. Sreemali Herath - Senior Consultant, PGIE supported the Institute by serving as Supervisors and internal theses examiners.

The PGIE gratefully acknowledges the support provided by academic, administrative and non-academic staff from the OUSL and other national universities. In addition the PGIE acknowledges the support of a number of professionals outside the university system for their support in the delivery of the institutes courses and programs. The institute would have found it impossible to function if not for this support. This support also ensures that the PGIE is able to provide a high quality service to its diverse and expanding clientele.

6. Financial Statements (According to the new format)

(a) Details of Recurrent Expenditure

Subject	2015 Rs	2016 Rs
a. Personal emoluments	13,285,504.00	12,584,956.00
b. Traveling	40,078.00	70,314.00
c. Supplies	562,573.00	587,790.00
d. Maintenance	52,476.00	342,827.00
e. Contractual Services	664,019.00	722,992.00
f. Other	1,894,155.00	2,355,294.00
Total	16,498,805.00	16,664,173.00

(b) Details of Capital Expenditure

Subject	2015 Rs.	2016 Rs.
a. Acquisition of Furniture & Office Equipment	350,775.00	2,153,746.00
b. Acquisition of Machinery	-	-
c. Acquisition of Library Books	370,699.00	87,347.00
c. Acquisition of Building & Structures	13,442,012.00	46,346,778.00
d. Other	-	-
Total	14,163,486.00	48,587,871.00

(c) Details of Financial Progress (Expenditure):

Subject	Provision in 2016 Rs.	Exp in 2016 Rs.	Savings / Excess Rs.
a. Recurrent except Project	17,500,000.00	16,664,173.00	835,827.00
b. Capital except Project	25,000,000.00	48,587,871.00	(23,587,871.00)
c. Project – Locally funded			
d. Project – Foreign funded			
Total	42,500,000.00	65,252,044.00	(22,752,044.00)

(d) Details of Financial Progress (Generated Income):

Source of Revenue	Provision in 2016 Rs.	Collection in 2016	Deficit/Surplus Rs.
a. Undergraduate studies			
b. Postgraduate Studies	4,500,000.00	7,605,444.00	3,105,444.00
c. Consultancies			
d. Other			
Total	4,500,000.00	7,605,444.00	3,105,444.00

(e) Financial Performance Analysis:

Subject	Formula	Exp. Per Student Rs.
a. Recurrent Expenditure per Student (RE)	RE/No of Student strength	85,457.30
b. Capital Expenditure per Student (CE)	CE/No of Student strength	249,168.57
Total	-	334,625.87

7. Audit Committee Report

Internal Audit Report

The Internal Audit Division carried out its auditing functions in purposeful areas of the Open University of Sri Lanka (OUSL) and the Post Graduate Institute of English (PGIE) during the year under review, covering a significant area of engagement as follows.

1. Pre- Audits

- Releasing of University Provident Fund (UPF)
- Payment of Gratuity
- Releasing of Pension Fund
- Final Payments on Contracts and Release of Retention.

2. Audit Queries issued on findings

- OUSL/IA/AR/2016/PGIE/01- Annual performance of the PGIE-2016

3. The Audit Committee

The Audit Committee of the PGIE meets regularly at least once in two months to review activities of the PGIE. The Committee considers the Audit Reports and Queries sent by the Auditor General and the Internal Audit and the responses of the PGIE to those queries. The Committee makes recommendations and directives for corrective action are also monitored.

The Audit Committee met on three occasions during the year (except the Audit Committee meetings of the OUSL) under review.

4. The Staff

The Internal Audit Division comprises the following staff.

- An Assistant Internal Auditor
- Two Audit Assistants
- A Clerk
- A Computer Application Assistant
- A Labourer

8. Audited Financial Statements



THE POSTGRADUATE INSTITUTE OF ENGLISH

THE OPEN UNIVERSITY OF SRI LANKA

FINANCIAL STATEMENTS

2016

Postgraduate Institute of English
Statement of Financial Position as at 31st December 2016

ASSETS	Note	2,016 (Rs.)	2,015 (Rs.)
Current Assets			
Cash at Bank	1	18,385,729	2,852,979
Loans & Advances to Staff	2	973,328	852,614
Receivables From Student	3	3,368,032	2,107,271
Short Term Investments	4	43,000,000	61,494,422
Inventories		282,592	250,635
Pre payments and Receivables	5	17,692	78,534
Advance to Constructors	6		8,577,577
		<u>66,027,373</u>	<u>76,214,031</u>
Non-Current Assets			
Furniture & Fittings		2,028,698	330,483
Office Equipments		1,636,809	2,127,630
Library books & Periodicals		610,501	908,579
Computer & Accessories		426,753	690,514
Foot Bicycle		2,228	4,368
Cloaks		30,474	13,912
Other assets			30,084
Land		22,581,550	22,581,550
Land & Building - WIP		88,061,166	38,802,589
		<u>115,378,179</u>	<u>65,489,708</u>
Total Assets		<u>181,405,552</u>	<u>141,703,739</u>
LIABILITIES			
Current Liabilities			
Accrued Expenses	8	1,130,689	1,108,041
Advance Received from NCAS			-
Sundry creditors			-
Student Fees In Advance	9	174,390	134,690
Retention on Constructions	10	2,371,384	1,782,956
Interest in Advance		2,011,359	3,381,320
		<u>462,672</u>	<u>571,320</u>
		<u>6,150,494</u>	<u>6,978,327</u>
Non - Current Liabilities			
Provision for Gratuity	11	1,157,113	651,625
Total Liabilities		<u>7,307,607</u>	<u>7,629,952</u>
Net Assets		<u>174,097,945</u>	<u>134,073,787</u>
NET ASSETS / EQUITY			
Capital Grant - Spent	12	92,911,215	47,972,391
Capital Grant - Unspent	13	35,829,434	44,676,212
Land Valuation Reserve			22,500,000
PGIE Development Fund		22,500,000	22,500,000
PGIE General Reserve		3,967,500	3,967,500
		18,889,796	14,957,684
Total net Assets / Equity		<u>174,097,945</u>	<u>134,073,787</u>

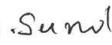
The Accounting policies on pages 5 to 7 and notes on pages 8 to 16 form an integral part of these Financial Statements. The Board of Management is responsible for the preparation and presentation of these Financial Statements. These Financial Statements were approved by the Board of Management and signed on their behalf,"


Dr. H. S. Rambukwella
 PhD (HKU), BA Hons (Pdn, SL)
 Director
 Postgraduate Institute of English


 Member of BOM


 Mr. W.D.T. Tilakaratne
 Senior Assistant Registrar
W. D. T. Tilakaratne
 Senior Assistant Registrar


 Ms. S.M.P.A. Subari
 Assistant Bursar


ASSISTANT BURSAR

Postgraduate Institute of English
Statement of Financial Performance
For the Year Ended 31st December 2016

		<u>2016</u> <u>(Rs.)</u>	<u>2015</u> <u>(Rs.)</u>
<u>Revenue</u>			
	<u>Note</u>		
Government Recurrent Grant		12,186,000	13,500,000
Application Fees		213,500	152,800
Registration Fees		165,900	137,725
Tuition Fees		5,559,525	5,914,800
Examination Fees		327,210	344,160
Supplementary Fees		111,000	99,200
Dissertation Fees		812,288	296,115
Tuition Fees from Short Course		414,521	382,000
Interest Income	14	3,431,843	1,622,448
Miscellaneous Receipts		1,500	2,500
Amortization of Capital Grant		1,407,955	1,092,213
Amortization of Donation			2,900
Portfolio fee		120,000	
Total Revenue		<u>24,751,242</u>	<u>23,546,861</u>
<u>Expenses</u>			
Personnel Emoluments	15	12,584,956	13,285,504
Traveling Expenses	16	70,314	40,078
Supplies and Consumables	17	587,790	562,573
Maintenance Expenditure	18	342,827	52,476
Contractual Services	19	722,992	664,019
Other Recurrent Expenses	20	2,355,294	1,894,155
Depreciation		3,665,934	1,211,145
Gratuity Expenses		505,488	180,862
Total expenses		<u>20,835,595</u>	<u>17,890,812</u>
Surplus / (Deficit) for the period		<u>3,915,647</u>	<u>5,656,049</u>

Postgraduate Institute of English
Statement of changes in Net Assets / Equity for the Year Ended 31st December 2016

(Rs.)

	PGIE General Reserve	Other Fund	Capital Grant Spend	Capital Grant Unspent	Total
Balance as at 1st January 2015	9,231,884	3,970,400	35,622,592	8,118,224	56,943,100
Depn Adjustment Previous year		(2,900)	-	-	(2,900)
Gratuity Adjustment Previous period		-	-	-	-
Adjustment to audit fee prior year		-	-	-	-
Capital Grant Spent during the year	-	-	13,442,012	(13,442,012)	-
Funds Received During the year	69,751	-	-	50,000,000	50,069,751
Amortization of Capital grants previous year		-	-	-	-
Amortization of Capital grants	-	-	(1,092,213)	-	(1,092,213)
Amortization of Donations	-	-	-	-	-
Surplus / (Deficit) for the period	5,656,049	-	-	-	5,656,049
Balance as at 31st December 2015	14,957,684	3,967,500	47,972,391	44,676,212	111,573,787
Previous year adjustment	16,464	-	-	-	16,464
Capital Grant Spent during the year	-	-	46,346,778	(4,634,677)	41,712,101
Funds Received During the year	-	-	-	37,500,000	37,500,000
PGIE Land value	-	-	-	-	-
Amortization of Capital grants	-	-	(1,407,955)	-	(1,407,955)
Surplus / (Deficit) for the period	3,915,647	-	-	-	3,915,647
Balance as at 31st December 2016	18,889,795	3,967,500	92,911,215	35,829,434	193,310,044

Postgraduate Institute of English
Cash Flow Statement for the Year Ended 31st December 20

	2016 (Rs.)	2015 (Rs.)
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus / (Deficit) from ordinary activities	3,915,647	5,656,049
Interest Income from Short Term Investments	(3,383,463)	(1,453,818)
<u>Non Cash Movements</u>		
Depreciation	3,665,934	1,211,145
Depreciation Adjustment - prior year		-
Gratuity Expenses	505,488	180,862
Gratuity Adjustment - prior year		-
Amortization of Capital Grants	(1,407,955)	(1,092,213)
Amortization Adjustment - prior year		-
Amortization of Donations		(2,900)
Loss on assets disposal		-
Prior year Adjustments		69,751
Net Surplus before working capital changes	3,295,651	4,568,876
<u>(Increase) / Decrease in Working Capital</u>		
(Increase) / Decrease in Inventories	(31,957)	(60,903)
Increase/(Decrease) in payables	7,107,857	(2,968,722)
(Increase)/Decrease in Receivable	(4,162,478)	(378,953)
(Increase)/Decrease in Loan & Advance to Staff	(120,714)	(200,693)
Gratuity payment		-
Net Cash Flows from operating Activities	6,088,359	959,605
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant & equipment	(2,153,746)	(350,775)
Purchase of Books and Periodicals	(87,347)	(370,699)
PGIE Building project	(44,308,939)	(12,673,045)
Land		(45,000)
Interest Received from Short Term Investments	-	5,748
Withdrawals of Short Term Investments	18,494,422	4,844,231
New Short Term Investments		(52,999,617)
Net Cash Flows from Investing Activities	(28,055,610)	(61,589,157)
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital Grants from Treasury	37,500,000	50,000,000
Net Cash Flows from Financing Activities	37,500,000	50,000,000
Net Increase / (Decrease) in Cash & Cash Equivalents	15,532,749	(10,629,552)
Cash & Cash Equivalents at the beginning of period	2,852,979	13,498,213
Cash & Cash Equivalents at the end of period	18,385,728	2,852,979

4

**Postgraduate Institute of English
Notes to the Financial Statement – 2016**

Significant Accounting Policies

01. Reporting Entity

The Postgraduate Institute of English has been incorporated under the Postgraduate Institute of English Ordinance No.04 of 2005. It launched on 1st October 2006. Currently Postgraduate courses and Short Courses are being conducted by the PGIE.

02. Statement of Compliance

The Financial Statements of the PGIE have been prepared in conformity with the Sri Lanka Public Sector Accounting Standards on a historic cost convention and accrual basis.

03. Government Grants

The total government grants received for the year was Rs.37,500,000. The recurrent Grant of Rs.12,186,000 has been recognized as revenue in the Statement of Financial Performance. Capital Grants received has been accounted under Capital Grants unspent and amounts spent were transferred to the capital grant spent account.

	Amount Received In year 2016 (Rs.)	Amount Unspent (Rs.)
Recurrent Grants	12,186,000	-
<u>Capital Grants</u>		
Plant, Furniture, Office Equipment & Others	14,500,000	27,837,734
Books and Periodicals	-	3,129,048
PGIE Building Project	23,000,000	4,862,652
	<u>49,686,000</u>	<u>35,829,434</u>

Amortization of Capital Grants

The capital grants and other grants received was capitalized and amortized as revenue over the useful life of the related assets.

04. Property, Plant and Equipment

(a). Property, Plant and Equipment have been depreciated in accordance with Sri Lanka Public Sector Accounting Standard no 7. Therefore Depreciation of an asset begins when it is available for use.

(b). The annual rates of depreciation are as follows.

❖ Furniture and Fittings	10 %
❖ Office Equipment	20 %
❖ Computer and Accessories	20 %
❖ Books and Periodicals	20 %
❖ Foot Bicycle	20 %
❖ Cloaks	20 %
❖ Other Assets	20 %
❖ Building	5 %

(c). Depreciation is charged to the income statement over the estimated useful life of the non-current assets.

(d). Non-current assets are shown at cost less accumulated depreciation.

(e). The Books and periodicals purchased by the PGIE have been sent to the OUSL main library for the benefit of the PGIE students.

(f). The Council of the Open University has given the approval to grant 15 perches of land to the PGIE and allow the use of the adjoin triangular block the East of the PGIE land . The value of the land is recorded as an asset of the PGIE.

(g). Construction cost of the PGIE Building project is recorded under the Building work in progress

05. Short Term Investment

Monies not required for immediate requirement were invested in short term fixed deposits and the TB at the People's bank. The carrying value of the investment has been calculated including the matured interest income at the end of the year.

06. Valuation of stocks

Stocks in the Store have been valued at Cost using First in First out (FIFO) basis.

07. Liabilities

All known liabilities have been accounted for in the preparing of the financial statements.

08. Provisions

Provision for gratuity has been calculated for employees of PGIE who have completed one year continuous services. However, employees who have completed five years continuous services in the university system are entitled to obtain gratuity on their retirement.

09. Revenue Recognition

Revenue consists of Government Grant and Income generated through internal sources. Interest on investment is accounted on an accrual basis.

10. Expenditure Recognition

The expenditure has been analyzed and classified into expenditure headings based on guidelines given by the University Grants Commission and the common format reporting system.

11. Taxation

The profits and income other than the profits and income from dividends of the Postgraduate Institute of English are exempt from income tax under the Inland Revenue Act No. 10 of 2006.

12. Cash Flow Statement

The cash flow statement has been prepared in conformity with the Sri Lanka Public Sector Accounting Standards (SLPSAS 2) using the **"Indirect Method"**

7

7

Postgraduate Institute of English
Notes to the Statement of Financial Position

Note - 01

<u>Cash at Bank</u>	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
People's Bank A/C No. 174100 156 838310	418,679	235,372
People's Bank A/C No. 174100 246 838310	3,960,318	1,392,486
People's Bank A/C No. 174100 336 838310	14,006,732	1,225,121
	<u>18,385,729</u>	<u>2,852,979</u>

Note - 02

<u>Loans and Advances to Staff</u>	<u>2016</u> Rs	<u>2015</u> <u>Rs.</u>
Distress Loan	896,628	845,464
Vehicle Loan	70,900	-
Special Advance	500	500
Festival Advance	5,300	3,750
Special Advance	-	-
	<u>973,328</u>	<u>852,614</u>

Note- 03

<u>Receivables From Student</u>	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Portfolio fees Receivable	72,000	-
Tuition Fees Receivable - TESL	2,484,025	1,660,700
Tuition Fees Receivable - TLSC	286,500	93,600
Short Course Fees receivable	-	-
Dissertation Fees Receivable TESL	259,827	63,111
Examination Fees Receivable TESL	-	253,200
Examination Fees Receivable TLSC	12,480	36,660
	<u>3,368,032</u>	<u>2,107,271</u>

Note - 04

Short Term Investments

	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Opening Balance	61,494,422	11,890,966
Re-investment of Interest - FD		677,535
Withdraw during the year - FD	(7,718,522)	(4,849,979)
Withdraw during the year - TB	(10,775,900)	
New Investments - TB		52,999,617
Re-investment of Interest - TB		776,283
	<u>43,000,000</u>	<u>61,494,422</u>

Note - 05

Pre payment and Receivables

	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Receivable from UGC		-
Interest Receivable		63,081
Pre-payment	17,692	15,453
	<u>17,692</u>	<u>78,534</u>

Note - 06

Advance to Constructors

	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Mobilization Advance		8,577,577
Advance for work done		-
	<u>-</u>	<u>8,577,577</u>

Postgraduate Institute of English
Notes to the Statement of Financial Position

Note - 07

Non-current assets

<u>Cost</u>	Furniture & Fittings	Office Equipment	Library Books & Periodicals	Computers & Accessories	Foot Bicycle	Cloaks	Other Assets	Building	land	Total
Balance as at 01/01/2016	701,199	4,028,909	2,483,607	2,446,609	10,700	21,000	46,607		22,581,550	32,320,180
(+) Purchases during the year	1,799,089	151,404	87,347	203,253	-	-	-	-	-	2,241,093
(-) Disposal during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31/12/2016	2,500,288	4,180,313	2,570,954	2,649,862	10,700	21,000	46,607		22,581,550	34,561,274
<u>Depreciation</u>										
Balance as at 01/01/2016	370,716	1,901,278	1,575,028	1,756,095	6,332	7,088	16,523			5,633,061
(+) Depreciation for the Year	100,883	642,225	385,425	263,761	2,140	-	13,521			1,407,955
(-) Disposal during the year	-	-	-	-	-	-	-			-
Balance as at 31/12/2016	471,599	2,543,503	1,960,453	2,019,856	8,472	7,088	30,044			7,041,015
Net Book Value as at 01/01/2016	330,483	2,127,630	908,579	690,514	4,368	13,912	30,084	38,802,589	22,581,550	65,489,709
Net Book Value as at 31/12/2016	2,028,698	1,636,809	610,501	426,753	2,228		30,474	88,061,166	22,581,550	115,378,179

Building - WIP

	2015	2016
	<u>Rs.</u>	Rs
Opening balance	234,700	38,802,359
Expenses for the year	38,567,659	44,308,938
	<u>38,802,359</u>	<u>83,111,297</u>

Note - 08

<u>Accrued Expenses</u>	<u>2016</u>	<u>2015</u>
	<u>Rs.</u>	<u>Rs.</u>
Audit Fees for the Year 2015	125,000	125,000
Audit Fees for the Year 2014	150,000	150,000
Audit Fees for the Year 2016	140,000	133,200
Audit Fees for the Year 2011 & 2012		-
Telecommunication expenses	22,478	18,166
Overtime	20,957	13,960
Sitting Allowances		-
Examination Fees		30,515
Visiting Lecture fees	22,500	37,500
Travelling Expenses		-
Stamp Duty & PAYE	1,550	1,350
Academic Research & Publication		-
Building Expenses		-
Short Course Expenses		180,048
Gratuity Payable	383,670	383,670
Other payable	50,000	34,632
Payable to associations		-
Security	192,034	
lecture Fee Dr H S Rambukwella	22,500	
	<u>1,130,689</u>	<u>1,108,041</u>

Note - 09

<u>Sundry creditors</u>	<u>2016</u>	<u>2015</u>
	<u>Rs.</u>	<u>Rs.</u>
Payable to OUSL	158,598	118,898
Softlogic Information Technologies	15,792	15,792
	<u>174,390</u>	<u>134,690</u>

Note - 10

<u>Student Fees In Advance</u>	<u>2016</u>	<u>2015</u>
	<u>Rs.</u>	<u>Rs.</u>
Tuition Fees in Advance TESL	1,930,200	1,397,600
Tuition Fees in Advance TLSC		-
Dissertation Fees in Advance TESL	150,059	118,131
Examination Fees in Advance TESL		60,800
Registration Fees in Advance TESL	119,475	105,975
Registration Fees in Advance TLSC	6,400	5,600
Supplementary Fees in Advance TESL	79,650	70,650
Supplementary Fees in Advance TLSC	4,800	4,200
Short Course Fees in Advance	20,000	20,000
Library fees in advance		-
	<u>2,310,584</u>	<u>1,782,956</u>

Note - 11

<u>Provision for Gratuity</u>	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Opening Balance	651,625	470,763
Previous year adjustment		-
Gratuity payment during the Year		-
Provision for the Year	505,488	180,862
	<u>1,157,113</u>	<u>651,625</u>

Note - 12

<u>Capital Grants Spent</u>	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Opening Balance	47,972,392	35,622,592
Capital Expenses	46,346,778	13,442,012
Amortization for the previous year	(1,407,955)	-
Amortization for the year		(1,092,212)
	<u>92,911,215</u>	<u>47,972,392</u>

Note - 13

<u>Capital Grants Unspent</u>	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Opening Balance	44,676,212	8,118,224
Grant from the Treasury	37,500,000	50,000,000
Capital Expenses	(46,346,778)	(13,442,012)
	<u>35,829,434</u>	<u>44,676,212</u>

12
9

Postgraduate Institute of English
Notes to the Statement of Financial Performance

Note - 14

<u>Interest Income</u>	<u>2016</u>	<u>2015</u>
Interest Income	16,798	<u>Rs.</u>
property Loan Interest		
Interest from FD		647,096
Interest from TB	3,383,463	951,651
Interest from Loan & Advance to Staff	31,582	23,701
	<u>3,431,843</u>	<u>1,622,448</u>

Note - 15

<u>Personnel Emoluments</u>	<u>2016</u>	<u>2015</u>
	<u>Rs.</u>	<u>Rs.</u>
<u>Academic</u>		
<u>Salaries and Wages</u>		
Salaries and Wages	1,613,294	2,061,474
University Provident Fund	307,862	475,263
University Pension	299,024	248,395
ETF 3%	122,422	144,731
Visiting Lectures Fees	855,650	652,000
PGIE Lecturers Fees	22,500	78,000
	<u>3,220,752</u>	<u>3,659,863</u>
<u>Other Allowances</u>		
<u>Other Allowances</u>	360,000	
Academic Allowance	2,135,963	2,388,507
Research Allowance	629,242	721,516
Cost of Living Allowance	296,400	374,400
Special Allowance	322,659	412,295
Additional Allowances	322,659	412,295
Fuel Allowances		210,000
Interim Allowance	380,000	420,000
	<u>4,446,923</u>	<u>4,939,013</u>
Personal Emolument - Academic	7,667,675	8,598,876

13
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<u>Non - Academic</u>	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Salaries and Wages		
Salaries and Wages	1,720,579	1,717,232
University Provident Fund	205,086	164,523
University Pension	150,298	188,027
ETF 3%	71,077	70,510
	<u>2,147,040</u>	<u>2,140,292</u>
Other Allowances		
Research Allowance	80,389	
Cost of Living Allowance	648,649	633,100
Special Allowance	344,116	343,446
Additional Allowance	344,116	343,446
Interim Allowance	831,602	708,666
MCA	344,116	343,446
	<u>2,592,988</u>	<u>2,372,104</u>
Personal Emolument - Non-Academic	4,740,028	4,512,396
Overtime and Holiday Payment		
Over Time	167,129	173,324
Holiday Payments	10,124	908
	<u>177,253</u>	<u>174,232</u>
Total Personal Emoluments	12,584,956	13,285,504

Note - 16

<u>Traveling Expenses</u>	<u>2016</u> <u>Rs.</u>	<u>2015</u> <u>Rs.</u>
Domestic	70,314	40,078
Foreign	-	-
	<u>70,314</u>	<u>40,078</u>

14
12

Note - 17

Supplies and Consumables

	<u>2016</u>	<u>2015</u>
	<u>Rs.</u>	<u>Rs.</u>
Stationery & Office Requisites	367,169	348,583
Fuel & Lubricant	210,600	213,990
Other		
Uniforms	1,800	-
Other Supplies	8,221	-
	<u>587,790</u>	<u>562,573</u>

Note - 18

Maintenance Expenditure

	<u>2016</u>	<u>2015</u>
		<u>Rs.</u>
Cleaning Services	131,837	
Other Maintenance Expenditure	290	
Plant, Machinery Equipment	185,883	52,476
Building & structures	24,817	
	<u>342,827</u>	<u>52,476</u>

Note - 19

Contractual Services

	<u>2016</u>	<u>2015</u>
	<u>Rs.</u>	<u>Rs.</u>
Security Services	192,259	
Postal Charges	80,055	54,405
Telecommunication	209,690	199,670
Electricity	89,217	152,944
Water	19,420	27,056
Printing Advertising	132,351	229,944
	<u>722,992</u>	<u>664,019</u>

15

Note - 20

<u>Other Recurrent Expenses</u>	<u>2016</u>	<u>2015</u>
	<u>Rs.</u>	<u>Rs.</u>
Stamp Duty	3,025	
Special Services - Council & Committees	670,777	526,307
- Professional & Other fees	140,000	125,000
Workshops ,Seminars	167,612	63,130
Staff Insurance	12,727	11,096
Staff Development	74,000	28,000
Travelling for University Teachers		162,541
Course Materials for students		66,000
Corporate Planning,Governance		3,760
Holiday Warrants & Season Tickets		-
Entertainment Expenses	31,031	99,772
Bank Charges	14,829	12,849
Contributions & Membership Fees	24,371	21,460
Examination Fees	179,985	142,100
Disposal loss		-
Short Course expenses		297,737
Other	885,703	334,403
Machanical &Electrical Goods	10,663	
Employee Welfare	5,000	
Directors Entertainment	81,170	
	<u>2,355,294</u>	<u>1,894,155</u>

16

9. Report of the Auditor General



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கணக்காய்வாளர் தலைமை அதிபதி திணைக்களம்
AUDITOR GENERAL'S DEPARTMENT



මගේ අංකය
எனது இல.
My No. } HED/G/PGIE/1/16

ඔබේ අංකය
உமது இல.
Your No. }

දිනය
திகதி
Date } 28 December 2017

The Director
Postgraduate Institute of English



Report of the Auditor General on the Financial Statements of the Postgraduate Institute of English for the year ended 31 December 2016 in terms of Sub-section 108(1) of the Universities Act, No. 16 of 1978

The audit of financial statements of the Postgraduate Institute of English for the year ended 31 December 2016 comprising the statement of financial position as at 31 December 2016 and the statement of financial performance, statement of changes in equity and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information, was carried out under my direction in pursuance of provisions in Article 154 (1) of the Constitution of the Democratic Socialist Republic of Sri Lanka read in conjunction with Sub-section 107(5) of the Universities Act, No. 16 of 1978. My comments and observations which I consider should be published with the Annual Report of the Institute in terms of Sub-section 108(1) of the Universities Act appear in this report.

1.2 Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Sri Lanka Public Sector Accounting Standards and for such internal control as the management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

1.3 Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Sri Lanka Auditing Standards consistent with International Auditing Standards of Supreme Audit Institutions (ISSAI 1000 – 1810). Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Institute's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements. Section 111 of the Universities Act, No. 16 of 1978 gives discretionary powers to the Auditor General to determine the scope and extent of the audit.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

2. Financial Statements

2.1 Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Postgraduate Institute of English as at 31 December 2016 and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Public Sector Accounting Standards.



2.2 Comments on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards

Sri Lanka Public Sector Accounting Standard 07

Out of the fixed assets costing Rs.2,717,793 which were fully depreciated as at 01 January 2016 by the Institute, the fair value of assets still in use had not been disclosed in the accounts in terms of Paragraph 42 of the Standard.

2.2.2 Accounting Deficiencies

The land with an extent of 4.8 perches used by the Institute had not been assessed and brought to accounts.

2.3 Non-compliance with Laws, Rules, Regulations and Management Decisions

The following non-compliances were observed.

Reference to Laws, Rules, Regulations etc.	Non-compliance
(a) Treasury Circular No.842 of 19 December 1978	A Register of Fixed Assets had not been maintained in terms of the circular.
(b) Section 3.1 of Chapter XX of the Establishments Code for Universities and Institutions of Higher Education.	A sum of Rs.6,789,525 had been paid as salaries and allowances in the year 2016 without establishing the arrival and departure of the academic staff of the Institute. The Director had informed the audit that the information was not available on the recording of the arrival and departure of the academic staff of any University functioned under the University Grants Commission.



- (c) Public Enterprises Circular No. PED 56 dated 27 January 2011 If there are any surplus funds in a certain Government institution, except the working capital requirement for the 06 ensuing months, the balance should be returned to the Treasury. Nevertheless, action had not been taken accordingly on a sum of Rs. 43,000,000 saved without being utilized from the money received as capital grants.
- (a) Circular No.959 of the University Grants Commission dated 12 July 2011 A Senior Lecturer who was directly appointed had been granted leave abroad for two years with pay from 17 February 2015 before the expiry of the period of probation on the approval of the Secretary to the University Grants Commission. A sum of Rs.3,476,662 had been paid to her as salaries and allowances from the date of approval for the leave abroad that is, 17 February 2015 up to the end of the year under review.

3. Financial Review

3.1 Financial Result

According to the financial statements presented, the financial result of the Institute for the year under review had been a surplus of Rs.3,530,242 as compared with the corresponding surplus of Rs.5,656,049 for the preceding year, thus indicating a deterioration of Rs.2,125,807 in the financial result in the year under review as compared with the preceding year . Decrease of Government recurrent grants by Rs.1,314,000 and



the increase in annual depreciation by Rs.2,454,789 had been the main reason for the above deterioration.

In the analysis of financial results of the year under review and 04 preceding years, a surplus existed in the financial result from the year 2012 up to the year 2016. However, in readjusting the employees' remuneration and depreciation on the non-current assets to the above surplus, the contribution of the Institute of the year 2012 amounting to Rs.5,373,477 had continuously increased up to Rs.16,326,525 by the end of the year under review.

3.2 Working Capital Management

A balance over Rs.5 million was existed in the Bank Current Account for the capital expenditure throughout the year under review. Sums amounting to approximately Rs.20 million and Rs.15 million had remained idle in the Current Account during the period from March to May and November and December respectively of the year under review. Further, a sum of Rs.3 million had remained idle in the Current Account for the collection of students' income from September to December 2016. As such, lack of proper management in working capital was observed.

4. Operating Review

4.1 Procurement and Contract Procedure

According to the decision of the Cabinet of Ministers No. HE/ID/2013/32 of 07 May 2013, approval had been granted to select a contractor under the basis of "planning and construction" for the construction of an office building in respect of the Institute at a cost of Rs.93, 000,000. The following observations are made in this connection.

- (a) The award of contract had been recommended on the basis of "planning and construction" as recommended only for very complicated constructions with high cost in terms of the Guideline SDB/04 of the Institute for Construction Training and



Development deviating from the Procurement Guidelines, after being obtained bids from 05 bidders who were well experienced and successful in the field of Government constructions.

- (b) Accordingly, even though bid calling letters were sent to 05 bidders decided by the Institute, only 02 bidders out of them had submitted bids. One bid out of that had been rejected due to the breach of basic conditions and the bidder of Rs.115,009,469 submitted exceeding the cost approved by the Cabinet of Ministers by a sum of Rs.22,009,469 had been selected for the award of contract. As such, the economic gain and the value for money expected by the procurement process in terms of Guideline 1.2.1 of the Procurement Guidelines -2006 cannot be satisfied in audit.
- (c) In terms of Guideline 7.12.1 of the Procurement Guidelines, rejection of all bids received can be justified when lack of effective competition is clearly evident and if prices quoted by the single bidder are high, the TEC may negotiate with the bidder for a downward revision of prices in terms of Guideline 7.12.2.(b). Instead, several necessary items included in the estimated Bill of Quantities such as tiling had been removed from the Bill of Quantities without any explanation and entered into a contract agreement valued at Rs.89,777,279.
- (d) In terms of Guideline 2.8.1 of the Procurement Guidelines, the Technical Evaluation Committee appointed for bid evaluation should consist of a subject specialist. Nevertheless, a subject specialist on constructions had not been included in the Technical Evaluation Committee appointed for these constructions.
- (e) Even though the supervision thereof had been carried out part time by a lecturer of the University of Moratuwa on an allowance of Rs.25,000, it was observed that a proper supervision had not been carried out from the commencement up to the completion of this contract and payments had been certified without properly evaluating the work done physically.



(f) An agreement had been entered into for completion of the construction project within 450 days from 27 October 2014, the date of commencement and to be completed before 16 January 2016. Nevertheless, this construction had been completed and handed over on 30 June 2016 due to the extension of duration without reasonable explanations.

4.2 Management Activities

A land belonging to the Open University of Sri Lanka with 15 perches for the building and 4.8 perches for roads and access areas had been given for the use of Institute in the year 2014 with the approval of the Board of Control while the value of this land had been brought to accounts under the lands of the Open University as well. Further, the University Grants Commission had informed the Institute that there were no legal provisions for transferring this land to the Institute.

4.3 Transactions of Contentious Nature

The Institute had obtained treasury grants during the preceding years exceeding the requirement for the purchase of furniture and equipment needed in respect of the new building while the balances had been utilized on short term investments and earned interest income therefrom. As such, a sum of Rs.43,000,000 had been invested by the end of the year under review.

4.4 Underutilization of Funds

Despite the non-utilization of entire grants received from the Treasury for the capital expenditure of the Institute, money had been obtained by requesting again for capital expenditure. As such, capital grants amounting to Rs.44,676,212 and Rs.35,829,434 had remained underutilized by the end of the year 2015 and the year under review respectively.



5. Accountability and Good Governance

5.1 Budgetary Control

Material variances between the budgeted and the actual income and expenditure were observed thus indicating that the budget had not been made use of as an effective instrument of management control.

5.2 Internal Audit

The Internal Audit had not been planned for minimizing deficiencies such as failure in taking action in terms of Financial Regulations and Circular instructions.

6. Systems and Controls

Deficiencies in Systems and Controls observed during the course of audit were brought to the notice of the Director of the Institute from time to time. Special attention is needed in respect of the following areas of control.

Areas of Systems and Controls	Observations
(a) Financial Control	(i) Capital grants had not been properly utilized. (ii) Adequate balances that can be utilized on short term investments had remained idle in current accounts.
(b) Contract Administration	The contract for construction of office buildings had been carried out without proper supervision.
(c) Internal Audit	Failure in taking action to carry out the internal audit by the management for strengthening the internal control of the Institute.

W.P.C Wickramaratne
 Additional Auditor General
 For Auditor General

10. Reply to the Report of the Auditor General

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29th January, 2017

The Auditor General,
No. 306/72,
Polduwa Road,
Battaramulla.

Dear Sir,

The Auditor General's Report on the Financial Statements of the Postgraduate Institute of English, for the year ended as at 2016-12-31, in terms of Section 108 (1) of the Universities Act, No. 16 of 1978

This is in reply to your letter dated 2017-12-28.

2.2 Opinion on Financial Statements

2.2.1 Sri Lanka Public Sector Accounting Standards (SLPSAS)

Out of the Fixed Assets utilized at the Institute, which have been depreciated 100%, the Institute received the Valuation Reports on 2018-01-08, subsequent to the valuation of other assets apart from valuable library books and action has been taken to record their values in the Final Accounts in the year 2017. Besides, the Institute has

appointed a Committee for the revaluation of the books and periodicals.

2.2.2 Accounting deficiencies

With the approval of the Council of the Open University of Sri Lanka (OUSL), a Survey plan was prepared for the block of land in extent of 15 perches received to the Postgraduate Institute of English and had it valued from the Department of Valuation and action has been taken to record them in accounts. Requests have been made to the Survey Department through the Divisional Secretary, Thimbirigasyaya, to have the Survey plan prepared pertaining to the land in extent of 4.8 perches since received.

Action will be taken to value that block of land and to record it in accounts, as soon as the Survey plan is received.

2.3 Non-compliance with Laws, Rules, Regulations and Management decisions

- (a) The deficiencies in the Fixed Assets Register have been rectified and a new Fixed Assets Register has been prepared.
- (b) The service duration of the academic staff can not be limited to a time range between 08 a.m to 04 p.m. They are engaged in preparation for and arrangement of the relevant studies, in student issues and counselling and other affairs relating to the courses, within an immeasurable time duration. Accordingly, no information is available to the effect that, arrival and departure of the members of the academic staff of any University within the control by the University Grants Commission are recorded.
- (c) Due to the absence of the Capital Grants received last few years and a building for the Institute, investments were made in the Treasury Bills which is a short term investment, until the relevant Fixed Assets had been purchased. At the finalization of

the construction work of the building, the process for purchasing Fixed Assets required for the Institute has been initiated and by now, many Fixed Assets are being received.

At the end of the year 2017, it has been planned to finalize the utilization of these Capital Grants.

- (d) Treating it as a special circumstance to grant leave with salary to the Lecturer referred to herein, approval has been granted by the letter bearing UGC/HR/8/8/13 of the Secretary, University Grants Commission dated 2015-02-12. The fact has been proved by the letter of even number dated 2015-08-06. As such, it is stated that due permission has been obtained on this matter by the University Grants Commission which is the Authority on the Policies and Laws and Regulations of the University System.

03. Financial review

03.1 Financial outcome

It is accepted that the increase of Rs.2,454,789 in the depreciation and the decline of Rs.1,314,000 in the Recurrent Grants have caused the decline in the financial outcome compared to the year 2015. Yet, it is a better condition that the revenue of the Institute has been increased by Rs.2,125,807 compared to the previous year.

The depreciation of the new building has caused the increase of Rs.2,454,759 in depreciation compared to the previous year. And, the gratuity of employees and the increase of depreciation are beyond control of the Institute.

03.2 Management of the Working Capital

Since it is required to make payments at the time of submission of bills on the construction work of the building by the Contractor and with a view to making payments for the purchase of Assets, these

balances in the Capital Account were maintained. However, this condition is unique to the relevant year. There is no space for the occurrence of such situation, in future. Moreover, the Institute received Rs.12.5 million for purchasing the Generator and Lift for the building and this value is also recorded in the account. The respective procurement activities were initiated since the year 2016 and the Generator and Lift have been installed by now. Until its payments are carried out, money has been invested in the Treasury Bills temporarily.

As proposed by the Audit, a Savings Account has been started for the Capital Account.

4. Operation review

4.1 Procurement and Contract Process

- (a) Action was taken to supervise and co-ordinate this building project proposal by the Ministry of Higher Education and to get it approved for the Postgraduate Institute of English. Accordingly, a Technical Evaluation Committee appointed by the Ministry of Higher Education and a Ministerial Procurement Committee carried out the construction process and procurement related activities such as, calling for the relevant contract bids and evaluation of same and the process required for awarding of tenders.

For its procurement activities, letters calling for bids have been forwarded to five (05) contractors in view of the Design and Build - Turnkey concept contained in the letter bearing No. HE/PR/OUSL/01 dated 2013-09-20 by the Ministry of Higher Education.

Hence, the process of awarding these tenders is beyond the administrative functions of the Institute.

- (b) These bidders have been determined by the Ministry of Higher

Education. As stated at (a) above, the relevant procurement process is a task at Ministerial level beyond the Institute and the respective evaluation of bids was carried out by a Technical Evaluation Committee appointed by the Ministry of Higher Education on the then procurement processes.

- (c) The relevant documents showcase that the Price Proposals of the one and only valid bidder received for the Institute have been accepted subject to amendments subsequent to an evaluation process carried out by the Procurement Committee of the Ministry. The Technical Evaluation Committee appointed to evaluate bids, has carried out a detailed evaluation process within the scope of the Design and Build process.

Since the only bid received in respect of the construction of the building at the Procurement Committee meeting appointed by the Ministry, had been of higher value than of the approved procurement, it is observed in view of the relevant documents that the Quantity Papers have been prepared to suit the allocation of provision in the relevant building project proposal pertaining to some components of the building, subject to revised prices with the absolute approval of the Ministerial Procurement Committee. In accordance with the records of decisions at a meeting of the Ministerial Procurement Committee, it has been stated that “the relevant cost has been prepared to suit the allocation of provision by the Cabinet in the project proposal subject to a revised price proposal with some justified amendments, as it exceeds the approved procurement”.

- (d) Since the authority of this Institute was limited only to appoint the nominated members on the part of the Postgraduate Institute of English to the Technical Evaluation Committee nominated by the Ministry of Higher Education by the letter bearing No. HE/PR/OUSL/01 dated 2013-04-29 as indicated in our documents, it is informed that it is a duty of the relevant Ministry to determine the composition and eligibility of the entire Committee. It is further stated that the Committee was

headed by an Additional Secretary who had been a then Senior Administrative Officer of the same Ministry.

- (e) The contract supervision was carried out by a Senior Lecturer who is a Civil Engineer at the University of Moratuwa and the above said Project Consultant Engineer made the spot checking under the supervision of a Building Committee appointed by the Board of Management of the Institute and the relevant payments were recommended by him after due spot checking.

With his active intervention, it is observed that the performance of the building construction could be maintained at a higher level. It is proven with the facts indicated in Building Committee Minutes. And, there were two (02) other Chartered Civil Engineers in the Building Committee of the Institute and they have provided a special contribution to the Institute for these activities.

- (f) The contract period of this project has been extended, subject to the guidelines provided by the Ministry of Higher Education. The respective contractor has thereby submitted the justified reasons for the extension of the period. And also, the extension has been approved by the Ministry of Higher Education as well, subsequent to the recommendation of the Board of Management of the Institute.

4.2 Management activities

- (a) Having estimated by the Department of Valuation, the value of the land in which the Postgraduate Institute of English is located, was Rs.22,500,000 and it has been recorded as land asset since it is essential to record the value of the land in accounts for the construction of the building. It has been mandatory to do so, as no records on the value of the land even with the value of the building may be an audit issue.

However, as per the audit inquiry, it is accepted that it is not

accurate to mention the value of the land asset in the accounts of the Open University as well as in those of the Postgraduate Institute of English.

The existing issue pertaining to the matter of recording in the accounts, namely, the release of a block of land for the construction of the building of the Institute has been carried out only in view of the decision of the Council of the Open University. And, as there are no legal provisions in the Protocol of the Institute to vest the possession of the land to the Postgraduate Institute of English, legitimately, requests have been made by the University Grants Commission for amending the Protocol of the Institute.

Moreover, in terms of a decision taken at the Audit Committee, viz., if the land could not be vested legally by 31st of December, 2017, action would be taken to present the value by way of an entry in the accounts of the year 2017.

04.3 Conflicting transactions

Capital Grants were obtained with the expectation of purchasing the furniture and other equipment required for the new building of the Institute and before the end of the year 2017/2018, it has been planned to end spending all these Capital Grants.

For the purpose of purchasing Library books and periodicals required for the Institute, lists have been given to the Library of the Open University. All books have to be brought from abroad and it takes much time for the same. It has been planned to end spending all Capital Grants received within the year 2017/2018 for books and periodicals.

The money, until the invoices for payments are received, has been invested Treasury Bills which are a short term investment avenue.

4.4 Under-utilization of the funds

- (a) Capital Grants were obtained with the expectation of purchasing the furniture and other equipment required for the new building of the Institute and 75% of those Grants has been spent in the year 2017 and the rest has been planned to be spent in the first quarter of the year 2018. And also, for the purpose of purchasing Library books and periodicals required for the Institute, lists have been given to the Library of the Open University. All books have to be brought from abroad and it takes much time for the same. It has been planned to end spending all Capital Grants received for books and periodicals within the year 2017.

5. Accounting and Good Governance

5.1 Budget documentary control

In preparing the Budget, it is predicted that some expenses may be incurred. Yet, in practice, the same amount so predicted may not be incurred for those subjects. Action will be taken to minimize these variations in future.

5.2 Internal Audit

In formulating the Internal Audit Programme of the Postgraduate Institute of English, inspection of the efficiency and productivity of the internal procedures of the Postgraduate Institute of English will be mainly aimed. As pointed out by the Audit, the Internal Audit Plan for the years 2017 and 2018 has been formulated covering Treasury Circulars, Financial Regulations and Procurement Guidelines and by now, the relevant audit activities are being implemented.

6. Systems and control

- (a) Necessary action will be taken to pursue action with special attention on the relevant areas.

- (b) This project has been finalized. It is noted to have these activities implemented in a formal manner within the limits of the authority granted to the Institute, in future.
- (c) Action will be taken to discuss with the relevant divisions and to improve this requirement in future.

**The Director
Postgraduate Institute of English**

Copy :

- 1. Chairman - University Grants Commission
- 2. Secretary - Ministry of Higher Education and
Highways
- 3. Secretary - Ministry of Finance and Mass
Media
- 4. Auditor - Open University Division
- 5. Assistant Internal Auditor - Open University

